Chapter 1: The New Employment Alliance

The fundamental disconnect of modern employment is embodied in the first day on the job: your manager greets you with warm enthusiasm, welcomes you to “the family,” and expresses her hope that you’ll be with the company for many years to come. Then she hands you off to the HR department, who sits you down in a conference room for 30 minutes, explaining that you’re on a 90-day probation period, and that even after that, you’ll be an “at will” employee who can be fired at any time, for any reason, or for none at all.

This transactional approach destroys trust. Employers continually lose valuable people while employees constantly scan the marketplace for new opportunities. No one wants to take the risk of being jilted, so no one invests in the long-term relationship.

Employers, managers, and employees need a new relationship framework where they make promises to each other they can actually keep, in order for all sides to build successful companies and powerful careers.

The Alliance lays out a framework for a relational approach where employment is a mutually beneficial alliance with explicit terms between independent players. It provides the framework managers and employees need for the trust and investment required to build powerful businesses and careers.

The alliance framework drives Silicon Valley’s success. The most successful Silicon Valley businesses succeed because they use the alliance to recruit, manage, and retain an incredibly talented team of entrepreneurial employees who possess what eBay CEO John Donahoe calls the founder mindset.
Chapter 2: Tours of Duty: Building the New Employment Alliance

The tour of duty represents a commitment by employer and employee to a specific mission over a realistic time horizon. By recasting careers at your company as a series of successive tours of duty with specific benefits and success outcomes, you point to concrete ways the employee will pick up real skills and build new relationships. The tour of duty approach can relieve the pressure on you and your employees alike because it builds trust incrementally. Everyone commits in smaller steps and, as with any kind of meaningful relationship, the relationship deepens as each side proves themselves to each other. By recasting careers at your company as a series of successive tours of duty, you can better attract and retain entrepreneurial employees.

This benefits both employee and employer: the employee transforms his career by enhancing his portfolio of skills and experiences and the company is transformed by the employee accomplishing a specific mission objective that moves the needle on the business.

There are three types of tours of duty:

1. A Rotational tour is usually aimed at entry-level employees. For example, programmatic two- to four-year analyst programs. These are explicit “on-ramps” to transition new employees from school to work, or from their previous employer to the new employer’s unique work environment.
2. Unlike the Rotational tour, a Transformational tour is personalized and negotiated one-on-one by you and your employee. The focus is on the completion of a specific mission that will transform both career and company. Most adaptive companies have the bulk of their employees on Transformational tours.
3. People whose lives are intertwined with their companies at a foundational level are on a Foundational tour of duty. The company has become the foundation of the person’s career and even life, and the employee has become part of the intellectual and emotional foundations of the company. Think of Jony Ive at Apple.

By providing a structure for an employee to take on a series of different, personally meaningful missions, tours of duty help an employee build a long-term career at a company. Paradoxically, by talking frankly about the fact that an employee might someday leave the company, you can structure a relationship that encourages him to stay.

Chapter 3: Stronger and Longer Tenures: Alignment

In the Industrial Age, the company subsumed an employee’s individual identity. Today, a modern company cannot expect its corporate purpose to become the sole purpose of the employee. The most entrepreneurial employees want to establish “personal brands” that stand apart from their employers. It’s a rational, even necessary response to the end of lifetime employment. A company’s purpose still matters a great deal but an employee can buy into an inspirational company vision without thinking, “I want to spend the rest of my life pursuing this future.”

Managers should explicitly seek and highlight the commonality between the company’s purpose and values and the employee’s career purpose and values. For example, both company and employee want to be part of a winning team. But acknowledge that there won’t necessarily be (or need to be) 100% alignment.

In order to build alignment, start by establishing and disseminating the
company's core mission and values. Then, learn about each individual employee's core aspirations and values. Talking about values is an important step toward building stronger trust and loyalty between employee, manager, and company. Once everyone's values and aspirations have been articulated, all parties should work together to strengthen the alignment between them.

Chapter 4: Implementing Transformational Tours of Duty

Start the conversation and define the mission. You should define an employee’s initial tour of duty during the hiring process by answering the following questions:

a) What is the overall objective of the tour?
The tour of duty you define with your employee should have a clear, detailed, concrete mission objective, like a specific project launch, internal project, or organizational initiative.

b) What do the results of a successful tour of duty look like for the company?
A successful mission objective delivers results for the company for either quantitative or qualitative goals, such as launching a new product line and generating a certain dollar amount in first-year revenues.

c) What do the results of a successful tour of duty look like for the employee?
Success might include developing new knowledge and skills; acquiring functional, technical, or managerial experience to advance the employee’s career.

Set up a system of regular checkpoints to assess how the tour of duty is going for both parties and to deliver feedback to each other. This provides an explicit forum for jointly evaluating progress toward both parties’ desired results.
As the tour of duty draws to a close, begin defining the next tour of duty. Well before the end of the current active tour, you should set aside time to discuss what your employee would like to do once his tour of duty is complete.

Chapters 5 & 6: Network Intelligence: Bringing the World into Your Company

Can you recall the last time you solved a thorny problem at work? What was the first step you took? For most of us, our instinctive response is to schedule a meeting with all the smart people at the company who might have an answer. But you can’t just rely on the information circulating in the brains of your current employees. There are more smart people outside your company than inside it.

Think of each employee as an individual scout picking up data from contacts inside and outside the industry. For example, what’s a competitor doing? What are key tech trends? It’s the manager’s job to recognize and encourage the power of each of these scouts. Network intelligence leverages the individual networks of your organization’s people in order for your company to engage with and learn from the outside world.

The employee's professional network is one of the key assets that can boost his long-term career prospects. If you help an employee invest in his individual network—by encouraging rather than banning social media products, or allowing him to expense lunches with interesting people—the employee is more likely to respond more favorably when you politely ask him to tap his network on your behalf.

Here's how you can increase the value of an employee’s network and simultaneously
add value to your company's network:

1. Recruit connected people. Make a candidate's network strength an explicit priority when hiring. Ask candidates about their strongest professional allies. Do they emphasize calling experts in their network when they are trying to solve problems?

2. Encourage employees to be active on social media and to make themselves discoverable. You should want your employees to be discoverable by the outside world in a professional context. They’re discoverable anyway, thanks to Google and social networks like Facebook, Twitter, and LinkedIn, so you should incentivize them to craft their presence in a way that’s maximally helpful to the company.

3. Set up a “networking fund” for employees—money earmarked to allow employees to expense networking lunches. Almost all top executives have such lunches all the time, and their company benefits as a result. You should make it not just acceptable but expected for your people to do the same—and to report back on what they learned, whether through a simple email or a full-blown presentation.

Chapters 7 & 8: Corporate Alumni Networks: The Career-Long Employment Alliance

Lifetime employment might be over, but a lifetime relationship remains the ideal. The alliance can and should persist via membership in a corporate alumni network, even after an employee’s final tour of duty concludes. Establishing an alumni
network requires relatively little investment and is the next logical step in maintaining a lifelong relationship of mutual trust, mutual investment, and mutual benefit.

Why should you invest in a corporate alumni network?

The alumni network helps you hire great people - it makes it easier for “boomerang” employees to return for another tour of duty after an absence from the company. Boomerangs are uniquely valuable because they bring an outsider perspective combined with an insider’s knowledge of company process and culture.

Alumni are a great source of network intelligence--competitive information, effective business practices, emerging industry trends, and more. Not only do they have knowledge of the outside world that a company's current employees do not, they also understand how the organization works. Simply conducting regular polls of alumni using standard questions can unearth key nuggets of information, such as how the company is perceived as an employer.

Alumni refer customers. Alumni can connect you to customers, even if the company isn't a consultancy or college. They can also refer customers, especially when incentivized to do so.

Alumni are key brand ambassadors in a world in which your company's brand is no longer fully under your control. Corporate alumni have the advantage of being third parties, and thus are perceived as more objective.

How do you create a corporate alumni network at your company?

1. Decide who you want to include. The simplest way to organize an alumni network is to include all ex-employees—stars, corporate middle class, and the most junior employees. Exclude employees where there is pending legal action or
the equivalent against that employee or their new company and exclude employees fired for cause (for instance, sexual harassment or theft). Some companies go further and maintain a two-level network: one for all employees and another exclusively for "stars" who receive additional benefits (and have additional ways to help the company).

2. Explicitly define the expectations and benefits of the relationship. The alumni relationship, like the rest of the employment alliance, is reciprocal. To harvest benefits from alumni, your company needs to offer them real benefits in return.
   • Post open positions to an alumni mailing list and offer recruiting bonuses to alumni.
   • Offer an alumni discount; Microsoft alumni receive a discount of up to 90 percent at the Microsoft company store.
   • Host events for alumni; this allows companies to leverage the magic of face-to-face interaction to strengthen the alumni relationship.
   • Keep alumni network members informed. The better alumni understand the company's current circumstances, the more practical the insights and assistance they can provide.

3. Add to the network by establishing a comprehensive exit process.
   Not reinforcing the lifetime relationship with an employee during their exit interview is a huge missed opportunity. The organization spent significant time and energy building a great relationship—why throw it out? Collect from departing employees all the information that the company needs to maintain a long-term relationship: contact information, expertise, and what the employee might want to help with in the future. Formally invite them to the alumni network.
If you enjoyed reading about the ideas in this executive summary, we encourage you to pick up a copy of *The Alliance: Managing Talent in the Networked Age* wherever books are sold.

You can find additional materials, receive updates from the authors, and connect with other readers at  [www.theallianceframework.com](http://www.theallianceframework.com).